

CalPERS Total Fund Top 20 Company Exposures

Based on Total Market Values as of 7/31/2005

Company Name	Equity Exposure				Total Equity Market Value	Fixed Income Exposure				Total FI Market Value	Real Estate Exposure <sup>(1)</sup>	TOTAL Market Value	% of Total Fund <sup>(3)</sup>
	Internally Managed Active	Internally Managed Passive	Externally Managed Active	Externally Managed Passive		Internal	External	Sec. Lending <sup>(2)</sup>					
GENERAL ELECTRIC	243,429,930	1,387,227,750	163,581,060		1,794,238,740	49,749,189	47,887,043	700,374,107	798,010,339			2,592,249,079	1.00%
EXXON MOBIL CORP	165,533,765	1,445,194,188	207,963,368		1,818,691,320				0			1,818,691,320	0.96%
CITIGROUP	131,962,166	856,014,750	163,881,900		1,151,858,816	82,868,089	117,634,428	149,983,065	350,485,582			1,502,344,398	0.72%
MICROSOFT CORP	204,839,229	1,055,513,589	142,193,225		1,402,546,043				0			1,402,546,043	0.74%
WAL MART STORES INC	157,910,130	801,300,885	70,705,907		1,029,916,922	17,771,344	1,159,263		18,930,607			1,048,847,529	0.55%
PFIZER INC	139,785,566	755,212,370	81,318,960		976,316,896	5,696,189			5,696,189			982,013,085	0.52%
HSBC HOLDINGS		91,750,917	29,152,856	433,888,837	554,792,610	156,228,621	18,022,825	202,535,506	376,786,952			931,579,562	0.39%
BANK OF AMERICA	91,745,474	670,859,161	102,857,894		865,462,529	45,382,583	12,998,870		58,381,453			923,843,982	0.49%
JOHNSON + JOHNSON	101,752,173	716,409,564	96,291,780		914,453,517	0			0			914,453,517	0.48%
INTEL CORP	123,999,457	660,270,062	95,532,013		879,801,532	0			0			879,801,532	0.47%
CHEVRONTExaco CORP	101,682,248	467,972,471	117,514,686		687,169,405	120,298,177	18,393,133		138,691,310			825,860,715	0.44%
JPMORGAN CHASE & CO	50,567,901	478,106,361	56,582,428		585,256,690	14,178,829	13,926,677	207,847,360	235,952,866	8,828,590		830,038,146	0.33%
AMERICAN INTL GROUP INC	85,400,804	589,869,700	56,882,980		732,153,484	9,433,893	4,524,599		13,958,492			746,111,976	0.39%
INTERNATIONAL BUSINESS M	88,783,913	539,477,094	44,303,906		672,564,914	8,676,529		60,010,062	68,686,591			741,251,505	0.36%
BRITISH PETROLEUM	0	117,460,321	41,331,760	559,386,737	718,178,818	0			0			718,178,818	0.38%
VERIZON	44,881,691	354,420,843	38,522,422		437,824,976	268,649,583	8,001,202		276,650,785			714,475,761	0.38%
BERKSHIRE HATHAWAY	75,769,306	461,964,712	23,127,100		560,861,118	0		149,865,075	149,865,075			710,726,193	0.30%
PROCTER + GAMBLE CO	87,961,043	539,204,901	75,940,513		703,106,457	5,048,792			5,048,792			708,155,249	0.37%
CISCO SYS INC	118,278,635	490,065,735	49,946,647		658,291,017	0			0			658,291,017	0.35%
VODAFONE GROUP	0	81,804,336	140,273,393	390,461,429	612,539,158	38,660,272			38,660,272			651,199,430	0.34%

(1) Real Estate exposure data only includes the 20 companies with the highest annual lease revenues for each core partnership, excludes properties in escrow. The market value exposures are calculated based only on two years of expected lease revenues.

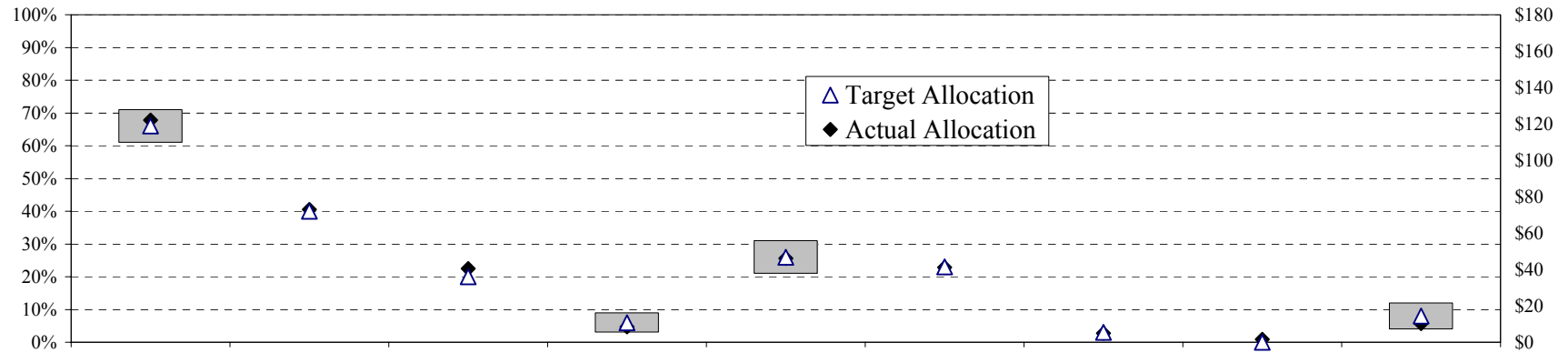
(2) Does not include Repos

(3) Excludes securities lending exposure

# CalPERS

## Asset Allocation as of July 31, 2005

Total Fund Market Value: **\$194,576,470,386**



	Total Equity	Domestic Equity	Non-U.S. Equity	Private Equity	Global Fixed	Domestic Fixed	Non-U.S. Fixed	Cash <sup>2</sup>	Real Estate	Total Fund
Target Range	61-71%	N/A	N/A	3-9%	21-31%	N/A	N/A	N/A	4-12%	N/A
Strategic %	66.0%	40.0%	20.0%	6.0%	26.0%	23.0%	3.0%	0.0%	8.0%	N/A
Actual %	67.8%	40.6%	22.5%	4.7%	25.6%	22.9%	2.7%	0.9%	5.7%	N/A
Variance %	1.8%	0.6%	2.5%	(1.3%)	(0.4%)	(0.1%)	(0.3%)	0.9%	(2.3%)	N/A
Strategic \$ <sup>3</sup>	\$128.4	\$77.8	\$38.9	\$11.7	\$50.6	\$44.8	\$5.8	\$0.0	\$15.6	N/A
Actual \$ <sup>3 4</sup>	\$131.9	\$79.0	\$43.7	\$9.2	\$49.8	\$44.5	\$5.3	\$1.7	\$11.1	N/A
Variance \$ <sup>3</sup>	\$3.5	\$1.1	\$4.8	(\$2.4)	(\$0.7)	(\$0.2)	(\$0.5)	\$1.7	(\$4.5)	N/A
% Passive	69.5%	83.3%	59.3%	0.0%	0.0%	0.0%	0.0%	0.0%	4.2%	47.4%
% Active	30.5%	16.7%	40.7%	100.0%	100.0%	100.0%	100.0%	100.0%	95.8%	52.6%
% Internal <sup>1</sup>	49.9%	83.3%	0.0%	0.0%	88.0%	98.6%	0.0%	45.9%	4.2%	57.0%
% External <sup>1</sup>	50.1%	16.7%	100.0%	100.0%	12.0%	1.4%	100.0%	54.1%	95.8%	43.0%

Net asset values include accurate accounting on int'l fixed income, domestic fixed income mortgage, and Credit Suisse currency overlay portfolios. Does not reflect gain/loss on monthly-priced portfolios.

<sup>1</sup> For cash percentage only, average over previous 6 months.

<sup>2</sup> Cash includes SMIF at STO and cash equivalents held in internal portfolios.

<sup>3</sup> (\$ Billion)

<sup>4</sup> Based upon Trade Date Accounting as recommended by CFA Institute GIPS Standards.

Private Equity Asset Allocation as of 07/31/2005			
Funded	\$(in Billions)	% Allocation	Target Range
Current Market Value	\$9.23	4.7%	
Unfunded Commitment	\$8.30	4.3%	
<b>Current Market Value plus Unfunded Commitment</b>	<b>\$17.53</b>	<b>9.0%</b>	<b>3-9%</b>

# TARGET PERCENTAGE COMPARISON ASSET ALLOCATION<sup>1</sup>

As of July 31, 2005

<b>(A)</b> <b><u>Asset Class</u></b>	<b>(B)</b> <b><u>Market Value</u></b> <b>(\$ Billion)</b>	<b>(C)</b> <b><u>Current</u></b> <b><u>Allocation</u></b>	<b>(D)</b> <b><u>Target</u></b>	<b>(E)</b> <b><u>Macro</u></b> <b><u>Ranges</u></b>	<b>(F)</b> <b><u>Difference</u></b> <b><u>(C-D)</u></b>
<b>Total Cash Equivalents</b>	<b>1.7</b>	<b>0.9 %</b>	<b>0.0 %</b>		<b>0.9 %</b>
<b>Total Global Fixed Income</b>	<b>49.8</b>	<b>25.6</b>	<b>26.0</b>	<b>21-31 %</b>	<b>-0.4</b>
Equities					
Domestic <sup>2</sup>	<b>79.0</b>	<b>40.6</b>	<b>40.0</b>		<b>0.6</b>
International	<b>43.7</b>	<b>22.5</b>	<b>20.0</b>		<b>2.5</b>
AIM: Direct/Partnership	<b><u>9.2</u></b>	<b><u>4.7</u></b>	<b><u>6.0</u></b>	<b>3-9 %</b>	<b><u>-1.3</u></b>
<b>Total Equities</b>	<b>131.9</b>	<b>67.8</b>	<b>66.0</b>	<b>61-71 %</b>	<b>1.8</b>
<b>Total Real Estate</b>	<b>11.1</b>	<b>5.7</b>	<b>8.0</b>	<b>4-12 %</b>	<b>-2.3</b>
<b>Total Equities &amp; Real Estate</b>	<b>143.0</b>	<b>73.5</b>	<b>74.0</b>		<b>-0.5</b>
<b>Total Fund</b>	<b><u>194.6</u></b>	<b><u>100.0 %</u></b>	<b><u>100.0 %</u></b>		

<sup>1</sup> As allocated to managers.

<sup>2</sup> Included is MDP Investment: LM Capital Investment: Total Market Value=\$179.0M.

\* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.  
When summing net amounts on this report, there may be breakage.

# TARGET DOLLAR COMPARISON

## ASSET ALLOCATION

As of July 31, 2005

(A)	(B)	(C)	(D)	(E)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Market Value (\$ Billion)</u>	<u>New Policy<sup>1</sup> (\$ Billion)</u>	<u>Difference (D-C) (\$ Billion)</u>
<b>Total Cash Equivalents</b>	<b>0.9 %</b>	<b>1.7</b>	<b>0.0</b>	<b>-1.7</b>
<b>Total Global Fixed Income</b>	<b>25.6</b>	<b>49.8</b>	<b>50.6</b>	<b>0.7</b>
Equities				
Domestic <sup>2</sup>	<b>40.6</b>	<b>79.0</b>	<b>77.8</b>	<b>-1.1</b>
International	<b>22.5</b>	<b>43.7</b>	<b>38.9</b>	<b>-4.8</b>
AIM: Direct/Partnership	<b><u>4.7</u></b>	<b><u>9.2</u></b>	<b><u>11.7</u></b>	<b><u>2.4</u></b>
<b>Total Equities</b>	<b>67.8</b>	<b>131.9</b>	<b>128.4</b>	<b>-3.5</b>
<b>Total Real Estate</b>	<b>5.7</b>	<b>11.1</b>	<b>15.6</b>	<b>4.5</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Equities &amp; Real Estate</b>	<b>73.5</b>	<b>143.0</b>	<b>144.0</b>	<b>1.0</b>
	<hr/>	<hr/>	<hr/>	
<b>Total Fund</b>	<b><u><u>100.0 %</u></u></b>	<b><u><u>194.6</u></u></b>	<b><u><u>194.6</u></u></b>	

<sup>1</sup> New Policy: Strategic asset allocation targets effective January 1, 2005.

<sup>2</sup> Included is MDP Investment: LM Capital Investment: Total Market Value=**\$179.0M**.

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# MONTHLY PROGRESS REPORT

## ASSET ALLOCATION<sup>1</sup>

As of July 31, 2005

(A)	(B)	(C)	(D)	(E)
<u>Asset Class</u>	<u>6/30/2005 Market Value (\$ Billion)</u>	<u>7/31/2005 Market Value (\$ Billion)</u>	<u>Difference (C-B) (\$ Billion)</u>	<u>Target (\$ Billion)</u>
<b>Total Cash Equivalents</b>	<b>2.6</b>	<b>1.7</b>	<b>-0.8</b>	<b>0.0</b>
<b>Total Global Fixed Income</b>	<b>49.1</b>	<b>49.8</b>	<b>0.7</b>	<b>50.6</b>
Equities				
Domestic <sup>2</sup>	<b>75.6</b>	<b>79.0</b>	<b>3.4</b>	<b>77.8</b>
International	<b>42.2</b>	<b>43.7</b>	<b>1.6</b>	<b>38.9</b>
AIM: Direct/Partnership	<u><b>9.4</b></u>	<u><b>9.2</b></u>	<u><b>-0.1</b></u>	<u><b>11.7</b></u>
<b>Total Equities</b>	<b>127.1</b>	<b>131.9</b>	<b>4.8</b>	<b>128.4</b>
<b>Total Real Estate</b>	<b>11.0</b>	<b>11.1</b>	<b>0.1</b>	<b>15.6</b>
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<b>Total Equities &amp; Real Estate</b>	<b>138.1</b>	<b>143.0</b>	<b>4.9</b>	<b>144.0</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Fund</b>	<u><u><b>189.8</b></u></u>	<u><u><b>194.6</b></u></u>	<b>4.7</b>	<u><u><b>194.6</b></u></u>

<sup>1</sup> Monthly progress report toward new policy targets.

<sup>2</sup> Included is MDP Investment: LM Capital Investment: Total Market Value=**\$179.0M**.

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## BOOK VS MARKET VALUE

As of July 31, 2005

(A) <u>Asset Class</u>	(B) <u>Book Value</u> (\$ Billion)	(C) <u>Market Value</u> (\$ Billion)	(D) <u>Difference (C - B)</u> (\$ Billion)
<b>Total Cash Equivalents</b>	1.7	1.7	0.0
<b>Total Global Fixed Income</b>	48.8	49.8	1.0
Equities			
Domestic <sup>1</sup>	45.5	79.0	33.5
International	34.1	43.7	9.6
AIM: Direct/Partnership	<u>11.2</u>	<u>9.2</u>	<u>-2.0</u>
<b>Total Equities</b>	90.8	131.9	41.1
<b>Total Real Estate</b>	7.8	11.1	3.3
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<b>Total Equities &amp; Real Estate</b>	98.6	143.0	44.4
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<b>Total Fund</b>	<u><u>149.1</u></u>	<u><u>194.6</u></u>	45.5

<sup>1</sup> Included is MDP Investment- LM Capital Investment: Total Book Value=\$179.0M, Total Market Value=\$179.0M.

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# GROSS PERFORMANCE VS EXPECTED RETURNS

One Year  
August 1, 2004 to July 31, 2005

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return<sup>1</sup></u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	0.9 %	2.4 %	5.2 %	1.1 %	4.1 - 6.3 %
Total Global Fixed Income	25.6	8.4	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	40.6	16.2	9.6	17.0	-7.4 - 26.6
International	22.5	25.6	9.1	19.5	-10.4 - 28.6
AIM:Total	<u>4.7</u>	<u>17.7</u>	13.5	30.0	-16.5 - 43.5
Total Equities	67.8	19.0			
Total Real Estate	5.7	40.8	8.5	14.0	-5.5 - 22.5
Total Fund	<u>100.0</u>	<u>17.2</u>	<u>8.8</u>	<u>12.2</u>	<u>-3.4 - 21.0</u>

<sup>1</sup> Asset Allocation Workshop, October 2004

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# NET PERFORMANCE VS EXPECTED RETURNS

One Year  
August 1, 2004 to July 31, 2005

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return<sup>1</sup></u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	0.9 %	2.4 %	5.2 %	1.1 %	4.1 - 6.3 %
Total Global Fixed Income	25.6	8.3	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	40.6	16.2	9.6	17.0	-7.4 - 26.6
International	22.5	25.6	9.1	19.5	-10.4 - 28.6
AIM:Total	4.7	17.7	13.5	30.0	-16.5 - 43.5
Total Equities	67.8	19.0			
Total Real Estate	5.7	32.8	8.5	14.0	-5.5 - 22.5
Total Fund	100.0	16.8	8.8	12.2	-3.4 - 21.0

<sup>1</sup> Asset Allocation Workshop, October 2004

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**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**CIO REPORT**  
**GROSS RATES OF RETURN**  
**Period Ending July 31, 2005**  
**Investment Committee Meeting September 2005**

	<b>MKT VAL</b> <b>(000'S)</b>	<b>One Month</b> <b>Jul 05</b>	<b>QTR</b> <b>May - Jul 05</b>	<b>FYTD</b> <b>05-06</b>	<b>CYTD</b> <b>2005</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
<b>TOTAL PLAN</b>									
SJ1CA1 TOTAL FUND	194,576,470	2.29	6.60	2.29	5.48	17.24	13.80	4.25	9.46
CALPERS POLICY INDEX		2.04	5.38	2.04	4.17	15.47	12.61	3.44	8.73
ACTUAL WEIGHTED TOTAL FUND INDEX		2.10	5.51	2.10	3.96	15.72	12.78	3.49	8.69
<b>GLOBAL EQUITY</b>									
<b>DOMESTIC</b>									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	76,247,709	4.08	9.01	4.08	3.97	16.23	14.16	-0.07	10.11
WILSHIRE 2500 EX TOBACCO (BLENDED)		4.06	8.96	4.06	4.02	16.37	14.08	-0.53	9.81
<b>INTERNATIONAL - EXTERNAL</b>									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	36,353,378	3.88	6.51	3.88	4.21	25.44	18.71	2.04	6.30
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	36,651,334	3.99	8.09	3.99	6.20	25.63	17.44	1.47	6.80
CALPERS FTSE A-W X US/SSGA BLEND		3.76	6.37	3.76	3.79	25.00	19.02	2.14	6.10
<b>INTERNATIONAL - INTERNAL</b>									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	5,272,563	3.36	5.54	3.36					
CALPERS FTSE DEV WORLD EX US & TOBACCO		3.34	5.30	3.34					
<b>HEDGE FUND INVESTMENTS</b>									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,221,862	2.39	5.70	2.39	5.47	13.32	10.28		
TOTAL ARS PROGRAM BLENDED INDEX		0.40	1.68	0.40	3.92	6.49	10.25		
<b>CORPORATE GOVERNANCE</b>									
SWMKA1 CORPORATE GOVERNANCE	3,060,397	-0.26	5.05	-0.26	8.59	25.68	22.77	16.29	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		3.36	6.88	3.36	4.08	16.62	15.96	1.90	
<b>MDP DOM FIXED INCOME-NVESTMENTS</b>									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	179,016	-0.79	0.55	-0.79	0.74	5.05	7.19		
CITIGROUP BROAD INVESTMENT GRADE		-0.88	0.80	-0.88	1.70	5.02	5.16	7.08	6.77
<b>GLOBAL FIXED INCOME</b>									
<b>DOMESTIC</b>									
SJDKA1 TOTAL DOM FIXED	44,513,753	-1.08	1.32	-1.08	2.87	8.22	9.21	8.86	8.04
CALPERS CUSTOM LEH LPF		-1.43	1.17	-1.43	2.86	8.20	7.34	8.53	7.71
<b>INTERNATIONAL</b>									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,326,957	-0.87	-4.48	-0.87	-5.93	8.19	11.26	8.71	5.66
CALPERS WORLD GOVT EX US		-0.84	-4.81	-0.84	-6.34	7.87	10.49	8.35	4.61
<b>CASH EQUIVALENTS</b>									
SJVKA1 TOTAL CASH	1,737,421	0.26	0.78	0.26	1.61	2.39	1.74	2.89	4.34
CALPERS CUSTOM STIF NET OF FEES		0.27	0.76	0.27	1.57	2.23	1.52	2.54	4.02
<b>ALTERNATIVE INVESTMENTS</b>									
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,099,702	-0.42	12.51	-0.42	13.87	17.74	8.20	-0.19	12.39
SJAIM AIM COMPOSITE	9,234,525	-0.31	12.55	-0.31	13.71	18.27	8.42	-0.50	
PERS WILSHIRE 2500/CYFU BLEND		1.27	3.87	1.27	9.25	15.20	4.42	-4.35	7.68
SW2V AIM DISTRIBUTION STOCK	134,823	7.07	17.90	7.07	8.53	34.84	29.09	-12.91	
<b>REAL ESTATE</b>									
SW3CA1 CORE REAL ESTATE	7,288,168	0.15	14.35	0.15	27.76	38.78	18.10	16.93	14.98
SW7KA1 TOTAL NON-CORE REAL ESTATE	3,800,486	1.22	6.22	1.22	23.42	38.99	23.25	15.35	14.89
NCREIF PROPERTY 1 QTR LAG INDEX		0.00	3.51	0.00	8.33	15.55	10.74	10.15	11.02

<sup>(1)</sup> SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank Excludes MDP venture accounts in composites SW9C, SWDC.  
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**CIO REPORT**  
**NET RATES OF RETURN**  
**Period Ending July 31, 2005**  
**Investment Committee Meeting September 2005**

	<b>MKT VAL (000'S)</b>	<b>One Month Jul 05</b>	<b>QTR May - Jul 05</b>	<b>FYTD 05-06</b>	<b>CYTD 2005</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
<b>TOTAL PLAN</b>									
SJ1CA1 TOTAL FUND	194,576,470	2.29	6.44	2.29	5.14	16.78	13.52	4.05	9.32
CALPERS POLICY INDEX		2.04	5.38	2.04	4.17	15.47	12.61	3.44	8.73
ACTUAL WEIGHTED TOTAL FUND INDEX		2.10	5.51	2.10	3.96	15.72	12.78	3.49	8.69
<b>GLOBAL EQUITY</b>									
<b>DOMESTIC</b>									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	76,247,709	4.08	9.00	4.08	3.96	16.20	14.14	-0.09	10.09
WILSHIRE 2500 EX TOBACCO (BLENDED)		4.06	8.96	4.06	4.02	16.37	14.08	-0.53	9.81
<b>INTERNATIONAL - EXTERNAL</b>									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	36,353,378	3.88	6.50	3.88	4.19	25.38	18.64	2.00	6.26
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	36,651,334	3.99	8.08	3.99	6.17	25.55	17.36	1.42	6.75
CALPERS FTSE A-W X US/SSGA BLEND		3.76	6.37	3.76	3.79	25.00	19.02	2.14	6.10
<b>INTERNATIONAL - INTERNAL</b>									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	5,272,563	3.36	5.54	3.36					
CALPERS FTSE DEV WORLD EX US & TOBACCO		3.34	5.30	3.34					
<b>HEDGE FUND INVESTMENTS</b>									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,221,862	2.39	5.66	2.39	5.37	13.17	9.84		
TOTAL ARS PROGRAM BLENDED INDEX		0.40	1.68	0.40	3.92	6.49	10.25		
<b>CORPORATE GOVERNANCE</b>									
SWMKA1 CORPORATE GOVERNANCE	3,060,397	-0.26	5.01	-0.26	8.36	25.22	22.11	15.76	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		3.36	6.88	3.36	4.08	16.62	15.96	1.90	
<b>MDP DOM FIXED INCOME-NVESTMENTS</b>									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	179,016	-0.79	0.51	-0.79	0.66	4.90	6.97		
CITIGROUP BROAD INVESTMENT GRADE		-0.88	0.80	-0.88	1.70	5.02	5.16	7.08	6.77
<b>GLOBAL FIXED INCOME</b>									
<b>DOMESTIC</b>									
SJDKA1 TOTAL DOM FIXED	44,513,753	-1.08	1.31	-1.08	2.86	8.20	9.20	8.85	8.03
CALPERS CUSTOM LEH LPF		-1.43	1.17	-1.43	2.86	8.20	7.34	8.53	7.71
<b>INTERNATIONAL</b>									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,326,957	-0.87	-4.50	-0.87	-5.96	8.12	11.18	8.63	5.58
CALPERS WORLD GOVT EX US		-0.84	-4.81	-0.84	-6.34	7.87	10.49	8.35	4.61
<b>CASH EQUIVALENTS</b>									
SJVKA1 TOTAL CASH	1,737,421	0.26	0.78	0.26	1.61	2.39	1.74	2.89	4.34
CALPERS CUSTOM STIF NET OF FEES		0.27	0.76	0.27	1.57	2.23	1.52	2.54	4.02
<b>ALTERNATIVE INVESTMENTS</b>									
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,099,702	-0.42	12.51	-0.42	13.87	17.74	8.20	-0.19	12.39
SJAIM AIM COMPOSITE	9,234,525	-0.32	12.54	-0.32	13.70	18.25	8.40	-0.51	
PERS WILSHIRE 2500/CYFU BLEND		1.27	3.87	1.27	9.25	15.20	4.42	-4.35	7.68
SW2V AIM DISTRIBUTION STOCK	134,823	6.32	17.06	6.32	7.48	33.48	27.68	-13.77	
<b>REAL ESTATE</b>									
SW3CA1 CORE REAL ESTATE	7,288,168	0.15	10.51	0.15	22.17	31.83	15.38	14.80	13.54
SW7KA1 TOTAL NON-CORE REAL ESTATE	3,800,486	1.22	5.19	1.22	15.96	28.65	18.15	11.60	12.36
NCREIF PROPERTY 1 QTR LAG INDEX		0.00	3.51	0.00	8.33	15.55	10.74	10.15	11.02

<sup>(1)</sup> SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank Excludes MDP venture accounts in composites SW9C, SWDC.  
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

**GROSS RETURNS**  
**One Year**  
**August 1, 2004 to July 31, 2005**

	(A)	(B)	(C)
<b><u>Asset Classes</u></b>	<b><u>Reported Gross Return</u></b>	<b><u>Expenses<sup>1</sup> (Percent)</u></b>	<b><u>Net Return (A-B)</u></b>
<b>Total Cash Equivalents</b>	<b>2.39%</b>	<b>0.00%</b>	<b>2.39%</b>
<b>Total Global Fixed Income</b>	<b>8.36%</b>	<b>0.03%</b>	<b>8.33%</b>
Equities			
Domestic	<b>16.23%</b>	<b>0.03%</b>	<b>16.20%</b>
International	<b>25.63%</b>	<b>0.08%</b>	<b>25.55%</b>
AIM Total	<b><u>17.74%</u></b>	<b><u>0.00%</u></b>	<b><u>17.74%</u></b>
<b>Total Equities</b>	<b>19.00%</b>	<b>0.05%</b>	<b>18.95%</b>
<b>Total Real Estate</b>	<b>40.79%</b>	<b>7.96%</b>	<b>32.83%</b>
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<b>Total Fund</b>	<b>17.24%</b>	<b>0.46%</b>	<b>16.78%</b>

<sup>1</sup> Does not include Real Estate Advisor Fees or External Equity and Fixed Income manager base fees which are already netted out of return. Does include AIM Partnership and Direct Component fees.

**CALPERS INVESTMENT IN CALIFORNIA as of July 31, 2005**

(A)	(B)	(C)	(D)	(E)	(F)
				CA Investment as % of Asset Class (D/B)	
<u>Asset Class</u>	<u>Portfolio Value (\$ millions)</u>	<u>California (Commitment/ Investments)<sup>1</sup> (\$ millions)</u>	<u>California Investments (\$ millions)</u>	<u>%</u>	<u>Program Description or Assumption</u>
<b>Real Estate - Mortgages</b>					
AFL-CIO (HIT)	99.3	N/A	62.5	63	Union related mortgage fund
CA Community Mortgage Fund	35.1	35.1	35.1	100	Small commercial and multi-family residential mortgages to economically targeted areas
Commercial (Whole Loans/MBS)	710.8	165.0	165.0	N/A	Commercial whole loans, mortgage backed securities and Great Northern program.
Member Home Loan Program	1,279.1	N/A	N/A	N/A	Housing loans for PERS members (includes \$.89 mill of single family MBS)
Ullico	<u>17.5</u>	<u>17.5</u>	<u>17.5</u>	<u>100</u>	No new additional commitments will be issued as of 3/27/98. All commitments issued.
<b>Subtotal</b>	2,141.9	217.6	280.1	13 %	
<b>Core Portfolio</b>					
AFL-CIO (BIT)	115.6	N/A	23.1	20	Union related mortgage funds
CORE - Equity	5,396.7	2,381.1	2,381.1	44	CORE Equity programs
PREES- REITS	462.5	218.9	218.9	47	Public companies
<b>Non-Core Portfolio</b>					
Catellus	240.7	161.7	161.7	67	Public company
Senior Housing	304.3	64.5	64.5	21	\$200m program approved in 6/00 by Investment Committee, approximately 15-20% of which will be CA based. Program to acquire/develop senior housing facilities throughout the United States. Leverage up to 65% loan to portfolio value for company level distributions. 65% top be used on all acquisition/development going forward.
<b>California Urban Real Estate- (CURE)</b>					
Pacific City Homes	57.0	100.0	57.0	100	Approved 6/01, pending final contract execution, CityHome Partners will focus on developing affordable, for sale, single-family residential communities in urban infill locations throughout California.
Bridge	30.1	100.0	30.1	100	Approved 6/00 by Investment Committee, contract finalized 1/01. Program focusing on early phase capital for the development of affordable housing in urban California. Subsequent to 09/30/02, Bridge invested approximately 11.9 million in the CURE program.
Buchanan Urban Investors	83.9	350.0	83.9	100	Buchanan Urban Investors provides financing for multifamily, industrial, retail, office, mixed use, and storage facilities in urban
CalSmart	94.	410.0	94.0	100	Approved 6/00 by Investment Committee, contract in final stages of negotiation. Program for a broad variety of urban infill development/redevelopment throughout California.
Capri Capital Partners	47.2	60.0	47.2	100	Approved in 06/01 by the Investment Committee. Capri's focus is promoting mezzanine debt for multi-family projects. Subsequent to 09/30/02, Capri invested approximately \$3.9 million in the CURE program.
CIM	184.9	405.0	184.9	100	Approved 6/00 by Investment Committee, contract executed 12/01/00. Program for urban development of street retail and mixed use development/redevelopment properties.
CUIP	236.3	N/A	236.3	100	Urban Infill Investments in California urban areas
Institutional Housing Partners IV	7.9	40.0	7.9	100	Approved in 6/01, IHP will focus on equity investments (development and redevelopment properties) for commercial and multi-family residential and mixed-use projects in infill locations throughout California.
Kennedy Office Development	37.2	150.0	37.2	100	Approved 6/00 by Investment Committee. Program for development/redevelopment of urban office, office r&d and industrial properties
Klein Financial Corporation JV	2.4	50.0	2.4	100	CURE-Affordable Multifamily Housing/ 60% Leverage
Legacy Partners	11.3	70.0	11.3	100	CURE-Affordable Multifamily Housing/ 60% Leverage
R Street Residential	18.0	N/A	18.0	100	
<b>Housing</b>					
Acquisition & Development	24.4	24.4	24.4	100	California land acquisition & development program
National Housing	1,488.6	447.9	447.9	30	Program updated as of 10/99. Single family housing/land development nationwide with emphasis on California.
Single Family Housing	52.2	52.2	52.2	100	California Single Family Housing program

**CALPERS INVESTMENT IN CALIFORNIA as of July 31, 2005**

(A)	(B)	(C)	(D)	(E)	(F)
				CA Investment as % of Asset Class (D/B)	
<u>Asset Class</u>	<u>Portfolio Value (\$ millions)</u>	<u>California (Commitment/ Investments)<sup>1</sup> (\$ millions)</u>	<u>California Investments (\$ millions)</u>	<u>%</u>	<u>Program Description or Assumption</u>
<b>Technology</b>					
Technology	517.9	200.0	96.9	19	\$500m program approved in 05/00 by Investment Committee, approximately 30-40% of which will be California based. Contract finalization in 02/01. Program designed to benefit from convergence of real estate and technology. Subsequent to 09/30/02, GIP invested \$37 million in the technology program.
<b>Natural Resources</b>					
Agricultural	111.7	92.1	69.1	62	Pacific Vineyard Partners will acquire and develop vineyards for high end wineries. The program will sell off the developed land to interested parties upon full maturity of the vineyards, approximately 7 years. Leverage max 35% loan to portfolio value.
Timber	137.4	N/A	N/A	N/A	Timber holdings in conjunction with advisory firms throughout the United States. Up to 40% approved at the discretion of SIO. Most likely will use 35% leverage on all acquisition/development. Up to 25% loan to portfolio value for company level debt, policy allows for up to 40%. Most likely will use 20-25% leverage going forward.
<b>OPPORTUNISTIC</b>					
DIVCO West	3.7	13.4	1.9	N/A	Opportunity Fund FUND focused on buying distressed high-tech Silicon Valley properties for releasing and repositioning.
Aetos Capital Asia	61.3	N/A	N/A	N/A	
Guggenheim	28.3	N/A	N/A	N/A	
RLJ Urban Fund	4.6	N/A	N/A	N/A	
Hampshire Companies	11.6	N/A	N/A	N/A	
<b>International</b>					
Security Capital Global	296.0	N/A	N/A	N/A	International real estate.
Hines Mexico Development	0.7	N/A	N/A	N/A	International real estate.
Hines European Development	14.9	N/A	N/A	N/A	International real estate.
CBRE Strategic Partners	2.1				
<b>Subtotal</b>	<u>10,085.5</u>	<u>5,391.2</u>	<u>4,351.8</u>	<u>43</u> %	Real estate commitment values
<b>SW6KRE - CORE MV Adjustment</b>	1,655.0				
<b>SW8KRE - SPECIALIZED MV Adjustment</b>	<u>-653.3</u>				
<b>Total Real Estate</b>	<b>13,229.0</b>	<b>5,608.8</b>	<b>4,631.9</b>	<b>35</b> %	
<b>AIM: Partnership Component</b>	9,234.5	1,800.0	1,500.0	16	Includes commitments through July 31, 2005
<b>Domestic Equity</b>	78,950.6	10,263.6	10,263.6	13	CA investment assumed to be 13% of total portfolio value
<b>International Equity</b>	<u>43,724.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
<b>Total Equities</b>	<u>131,909.7</u>	<u>12,063.6</u>	<u>11,763.6</u>	<u>9</u> %	
<b>Total Real Estate &amp; Equities</b>	<b>145,138.7</b>	<b>17,672.4</b>	<b>16,395.5</b>	<b>11</b> %	<b>Of total portfolio CA investments in real estate &amp; equities: 8.4%</b>
<b>Cash Equivalents</b>	1,739.0	0.0	0.0	0	On deposit at the Treasurer's Office: \$752.09
<b>Domestic Fixed Income</b>					
Corporate Bonds	19,602.4	285.0	285.0	1	Companies headquartered in CA
Mortgage Pass-Throughs/CMOs	13,916.6	2,558.1	2,558.1	18	CA investment assumed to be 10% GNMA; 20% FNMA; 20% FHLMC; 20% CMO.
External Managed	631.4	0.0	0.0	<u>0</u>	
Treasury Bonds	<u>8,211.</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
<b>Subtotal</b>	42,371.9	2,843.1	2,843.1	7 %	
<b>International Fixed Income</b>	<u>5,327.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
<b>Total Global Fixed Income</b>	<b>47,698.8</b>	<b>2,843.1</b>	<b>2,843.1</b>	<b>6</b> %	
<b>TOTAL</b>	<b>194,576.5</b>	<b>20,515.5</b>	<b>19,238.6</b>	<b>10</b> %	<b>Outstanding commitments (column E/column C): 10.5%</b>